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4/24

THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: April 18, 2007 REPORT NO: 07-063

ATTENTION: Council President and City Council

Docket April 24, 2007

SUBJECT: Reprogramming of Community Development Block Grant (CDBG)
funds for Council Districts 1,3,4,6,7 and 8

REFERENCE:

REQUESTED ACTION: Approve the proposed Reprogramming of CDBG funds

STAFF RECOMMENDATION: Authorize the reprogramming of CDBG funds.

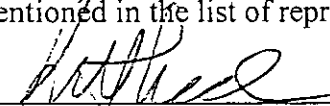
SUMMARY: This action will reprogram CDBG funds for Council Districts 1,3,4,6,7 and 8. All Council District CDBG transfers listed in Attachment A are reprogrammed at the request of the respective Council member from each district. Some changes are the result of cancelled projects, project savings, projects that are not yet ready for funding or a change in priorities. Attachment B provides CDBG reserve balances once this council action has passed.

FISCAL CONSIDERATIONS: There is no impact to the General Fund from this action. Funds are available from the Community Development Block Grant Program.

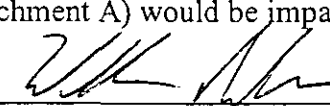
PREVIOUS COUNCIL and/or COMMITTEE ACTION: FY 2007 CDBG Allocations and Reprogramming; Council Actions: May 8, 2006, October 24, 2006 and February 6, 2007.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: This reprogramming of CDBG funds was noticed in the San Diego Union Tribune newspaper on Monday, February 26, 2007. Also, the list of projects (Attachment A) was posted on the City of San Diego's website (www.sandiego.gov/cdbg) from February 26, 2007 thru March 28, 2007.

KEY STAKEHOLDERS AND PROJECTED IMPACTS: Residents of low and moderate income communities, community-based organizations, community planning groups, and other community development organizations. In addition, the agencies and reserve accounts mentioned in the list of reprogrammed projects (Attachment A) would be impacted.



Scott Kessler
Deputy Director, Economic Development
Division



Bill Anderson
Director, City Planning and Community
Investment

Attachment A: District 1,3,4,6,7 and 8 CDBG funds

Attachment B: CDBG Reserves as of April 2007

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Attachment A

Districts 1,3,4,6,7 and 8 would like to reprogram the following CDBG funds:

District 1:

From: Council District 1 CDBG Fund Reserves, \$10,000

To: LGBT Community Center, \$10,000

District 3:

From: Council District 3 CDBG Fund Reserves, \$24,773

Community Housing Works, Housing Counselor, \$16,779

To: Southern Sudanese Community Center, \$21,373

George G. Glenner Alzheimer's Family Centers Inc., \$2,000

Fairmount Park Neighborhood Assoc., Neighborhood Identification Sign, \$1,400

Community Housing Works: Home Ownership Program, \$16,779

District 4:

From: Council District 4 CDBG Fund Reserves, \$40,000

Diamond CDC, Technical Assistance, \$55,000

To: City of SD, Economic Dev. Division, Maint. Assessment District Formation, \$40,000

Diamond CDC, Public Improvement Installation, \$55,000

District 6:

From: Council District 6 CDBG Fund Reserves, \$307,095

To: Bayside Community Center, \$200,000

Montgomery Middle School Joint-Use Facility, \$107,095

District 7:

From: Fox Canyon Neighborhood Assoc., Euclid Ave. Traffic/Capacity Study, \$8,640

Community Housing Works, Housing Counselor, \$12,658

People for Trees, Tree Planting (2004) \$1,696

People for Trees, ADA Improvements (2004) \$4,109

People for Trees, Neighborwoods, \$15,000

Council District 7 CDBG Fund Reserves, \$600,000

To: Fox Canyon Neighborhood Assoc., Neighborhood Visioning Project, \$8,640

Community Housing Works: Home Ownership Program, \$12,658

Urban Corps, Tree Planting in Low Income Areas, 20,805

Grantville Redevelopment, Planning, \$600,000

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District 8:

From: BT Crenshaw Christian, \$278	SD Comm Housing, \$270
Otay Mesa C of C Entryway, \$10,778	Golden Hill Com Ctr, \$35,000
Sherman Hts. Beautification, \$1,362	Otay Mesa C of C, \$22,500
Hummingbird Café, \$2,217	SD City Hispanic C of C, \$721
SD Interfaith Committee, \$40,260	Neighborhood Opportunities, \$41,408
Barrio Logan Redevelopment, \$5,621	District 8 Sidewalks, \$8,749
Neighbors United Facility, \$4,459	SD County Hispanic C of C, \$2,876
Greater Golden Hill CDC, \$24,457	People for Trees, \$912
Union of Pan Asian Comm, \$929	MAAC, \$27
Casa Familiar, Inc., \$23,529	Uptown Faith Bldg. Imp, \$2,000
San Diego Co Hispanic C of C, \$312	Latino Builders Industry Assoc, \$3,204
Neil Good Day Center, \$22	City Works Southeastern, \$428
Logan Health 108 Loan Repayment, \$4,874	SD County C of Commerce, \$594
Black Contractors Assoc., \$9,000	City of SD – Code Enf. – D8, \$318
City of SD, Central Com. Center, \$50,000	Cityworks – SESD Revitalization, \$10,576
Otay Library 108, \$3,750	SD Food Bank 108 Loan Repayment, \$816
To: Park and Rec. Dept., Formation of Palm Ave. Maintenance Assessment District, \$50,000	
Barrio Station, Affordable Housing, \$50,000	
City of San Diego, Streets Division, Vista Terrace Park Lights, \$10,000	
Council District 8 CDBG Fund Reserves, \$202,247	

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Attachment B

<u>CDBG Reserves as of April.2007</u>		
<u>District 1</u>	\$	284,529
<u>District 2</u>	\$	24,919
<u>District 3</u>	\$	5,769
<u>District 4</u>	\$	54,026
<u>District 5</u>	\$	969,051
<u>District 6</u>	\$	36,471
<u>District 7</u>	\$	54,674
<u>District 8</u>	\$	203,140
<u>Citywide</u>	\$	-
Total:	\$	1,632,579

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To: Anita Pyle

From: Theresa Quiroz

Date: March 23, 2007

Re: **CDBG FY07 Action Plan Amendments**
PUBLIC COMMENT

Regarding the transfer of funds in District 7 from "Fox Canyon Neighborhood Assn, Euclid Ave Traffic /Capacity Study" to "Fox Canyon Neighborhood Assn, Neighborhood Visioning Project".

I would like to request that before this funding is moved, the following issues are considered.

The application form for the CDBG funding is for a Neighborhood Vision Plan. However, the project description gives no definition of what it considers 'neighborhood'. The Fox Canyon neighborhood (FCN) is clearly defined in the Mid-City Communities Plan (Page 15, Figure 5). However, the Fox Canyon Neighborhood Association (FCNA) has made official claims before Council that it can determine what it wants its boundaries to be - without respect to the surrounding communities. Also, the FCNA has applied for, and received, CDBG funding which has been used to install "Fox Canyon" signs in the Chollas Creek Neighborhood. This lack of specificity in the definition of neighborhood could lead to the funding being used to develop a plan for low-income residents who are not in the specified area, and not included in the outreach. Section 570.204 requires that the area be "designated in ...a local documents as a neighborhood". The current application should be re-worked to clearly identify the area to be covered as that described in the Community Plan.

The FCNA has no authority to apply for funding to create a plan for the Chollas Creek neighborhood without their concurrence. The impact of one neighborhood deciding the future of another area without any input could be extremely detrimental.

The project discriminates against many of the lower-income residents of the area by specifying that the Advisory Committee will consist of "Fox Canyon residents only". The project specifically discusses the "Ontario Avenue street connection" which is in the Chollas Creek Neighborhood. In the latest FCNA newsletter, a statement was made regarding such funding. "Many residents have called inquiring about these. Let it be known that being so open with our disclosures could hurt us at the end with the success of our grant applications". It would seem that it is now the policy of the FCNA not to discuss their funding, even with their own residents.

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Also, the project gives no indication of the community outreach it will perform. As the document is now written, this plan will be written by a few chosen members of the community, and will not reflect the needs of the community in general. Community outreach to all the affected residents is essential, and should be fully described in the report. Additionally, since the decisions to be made (traffic circulation, park amenities) are all community in nature, the project should be led by the City Heights Area Planning Committee. That would ensure that all of the residents are included in the planning.

Since the area to be served is part of the Crossroads Redevelopment Area, it would seem that a neighborhood redevelopment plan would be best funded by that entity. At the very least, the final document should be required to pass through that Agency.

This plan would be superfluous and redundant. The area already has numerous such documents that were created with input from the residents, and approved by Council. They include the Euclid Avenue Revitalization Action Plan, the Fox Canyon Parks Sub-Committee Report, the Chollas Creek Enhancement Plan, and the Crossroads Redevelopment Plan. CDBG funding should not be granted to negate these documents because a very small group is not happy with their vision.

Creating a vision plan is not a 'basic eligible activity' of CDBG law. The specific activities by a CBDO (570.204(a)(1)) are restricted to projects of sufficient size and scope to have an impact on blight. Because of the numerous plans already in place that do the same thing, the outcome of this project will be negligible. In fact, it will serve more to distress the residents than bring them together. **There is no provision in the CDBG for funding a project that will undermine other resident-created, council-approved plans.**

If the FCNA wants to be funded for a project within its own boundaries, that is one thing. But once again, the FCNA is taking CDBG funding to further its own cursory desires at the expense of its surrounding, much lower-income, neighbors. It creates a project that will negatively affect the neighboring residents and then places a very specific provision in the application that those neighbors be banned from the decision-making.

CDBG funding is not a slush fund for a back-room deal to provide for documents to undermine the will of the populace - and it should never be used as such.

000507DOCKET SUPPORTING INFORMATION
CITY OF SAN DIEGO

DATE:

704
4/24**EQUAL OPPORTUNITY CONTRACTING PROGRAM EVALUATION**

March 23, 2007

SUBJECT: Reprogramming of CDBG Funds for Districts 1, 3, 4, 6, 7, and 8

GENERAL FUNDING INFORMATION

Recommended Recipient:

- District 1: LGBT Community Center - \$10,000
- District 3: Southern Sudanese Community Center - \$21,373
 - George G. Glenner Alzheimer's Family Centers Inc. \$2,000
 - Fairmount Park Neighborhood Association - \$1,400
 - Community Housing Works - \$16,779
- District 4: City of SD, Economic Dev. Division, MAD Formation - \$40,000
 - Diamond CDC, Public Improvement Installation - \$55,000
- District 6: Bayside Community Center - \$200,000
 - Montgomery Middle School Joint Use Facility - \$107,095
- District 7: Fox Canyon neighborhood Assoc \$8,640
 - Community Housing Works - \$12,658
 - Urban Corps - \$20,805
 - Grantville Redevelopment Planning \$600,000
- District 8: Park and Rec. Dept. Formation of Palm Av MAD - \$50,000
 - Barrio Station, Affordable Housing - \$50,000
 - City of San Diego, Streets Division, Vista Terrace Park - \$10,000
 - Council District 8 CDBG Fund Reserves - \$202,247

Funding Source: City of San Diego CDBG Funding

SUBCONTRACTOR PARTICIPATION

No subconsultant participation on this action.

EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

Equal Opportunity Required

ADDITIONAL COMMENTS

Work Force Analysis available upon request.

JLR

MMST#4612

000509 REQUEST FOR COUNCIL ACTION CITY OF SAN DIEGO		1. CERTIFICATE NUMBER (FOR AUDITOR'S USE) 104 <i>N.A.</i> 4/24					
TO: City Attorney		2. FROM (ORIGINATING DEPARTMENT): Economic Development Division					
4. SUBJECT: Reprogramming of Community Development Block Grant (CDBG) Funds for City Council Districts 1,3,4,6,7 and 8		7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED <input checked="" type="checkbox"/>					
5. PRIMARY CONTACT (NAME, PHONE, & MAIL STA.) Anita C. Pyle, MS 51F, 236-6944		6. SECONDARY CONTACT (NAME, PHONE, & MAIL STA.) Shirley Reid MS 51F, 533-5974					
8. COMPLETE FOR ACCOUNTING PURPOSES							
FUND		9. ADDITIONAL INFORMATION / ESTIMATED COST:					
DEPT.		Fiscal Impact: There is no impact to the General Fund from this action. Funds are available from the Community Development Block Grant Program.					
ORGANIZATION							
OBJECT ACCOUNT							
JOB ORDER							
C.I.P. NUMBER							
AMOUNT							
10. ROUTING AND APPROVALS							
ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
1	DEPUTY DIRECTOR	SCOTT KESSLER	2/20/07	8	DEPUTY CHIEF	JIM WARING	3/27/07
2	CDBG	ANITA PYLE	2/26/07	9	COO	RONNE FROMAN	3/29/07
3	AUDITOR	FAYE HOWARD-HALL	3/9/07	10	CITY ATTORNEY	MICHAEL NEUMEYER	4/10/07
4	CFO	MAHOE NAKANELUA	3/16/07	11	ORIG. DEPT	SCOTT KESSLER	4/10/07
5	ENVIRONMENTAL REVIEW	ALLISON SHERWOOD	3-20-07	DOCKET COORD: 4/4/07 COUNCIL LIAISON 32			
6	EOCP	CELIA GRIFFIN	3-27-07	COUNCIL PRESIDENT <input type="checkbox"/> SPOB <input checked="" type="checkbox"/> CONSENT <input type="checkbox"/> ADOPTION			
7	Director	William Anderson	3/7/07	REFER TO: ms COUNCIL DATE: 4/24/07			
11. PREPARATION OF: <input checked="" type="checkbox"/> RESOLUTIONS <input type="checkbox"/> ORDINANCE(S) <input type="checkbox"/> AGREEMENT(S) <input type="checkbox"/> DEED(S)							
1. Approve the reprogramming of CDBG funds for Council Districts 1,3,4,6,7 and 8, set forth in the Report to the City Council No. <u> </u> , a copy of which is on file with the Office of the City Clerk as Document No. <u> </u> , contingent upon certification of funds availability by the City Auditor and Comptroller.							
2. Authorize the Mayor or his designee to negotiate and execute agreements with those CDBG-Funded Projects approved for funding, contingent upon certification of funds availability by the City Auditor and Comptroller.							
3. Authorize the City Auditor and Comptroller to appropriate and expend the CDBG funds for the CDBG-funded projects approved for funding.							
11A. STAFF RECOMMENDATIONS: Adopt the resolutions.							
12. SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION.)							
COUNCIL DISTRICT(S): 1,3,4,6,7, AND 8							
COMMUNITY AREA(S): MULTIPLE (MD)							
ENVIRONMENTAL IMPACT: This activity is not a "project" as defined in CEQA Guidelines section 15378, and therefore, is not subject to CEQA, pursuant to CEQA Guidelines section 15060(c)(3). In addition, this activity is exempt under NEPA, pursuant to 24 CFR part 58.34(a)(9), (3). (MD)							
HOUSING IMPACT: None							
OTHER ISSUES: None							

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RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN
DIEGO REGARDING THE REPROGRAMMING OF CDBG
FUNDS.

WHEREAS, on May 8, 2006, the City Council adopted Resolution No. R-301424, in which the City Council authorized the City Auditor and Comptroller to accept CDBG funds in the amount of \$15,506,862 from the U.S. Department of Housing and Urban Development for the City's FY 2007 CDBG Program; and

WHEREAS, in Resolution No. R-301424, the City Council also approved the funding allocations and recommendations for the City's FY 2007 CDBG Program, as set forth in Report to the City Council No. 06-047, a copy of which is on file with the Office of the City Clerk as Document No. RR-301424, as modified by memoranda from Council District 2, Council District 4, and Council District 7, a copy of each memorandum is on file with the Office of the City Clerk as Document Nos. RR-301424-1, RR-301424-2, and RR-301424-3, respectively; and

WHEREAS, on October 24, 2006, the City Council adopted Resolution No. R-302033, in which the City Council approved the reprogramming of CDBG funds for Council Districts 1, 3, 4, 5, 6, 7, 8, and Citywide, as set forth in the Executive Summary Sheet filed with that action;

WHEREAS, on February 6, 2007, the City Council adopted Resolution No. R-302336, in which the City Council approved the reprogramming of CDBG funds for Council Districts 1, 2, 3, 6, and 8, as set forth in Report to the City Council No. 07-026, a copy of which is on file with the Office of the City Clerk as Document No. RR-302336;

NOW, THEREFORE,

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BE IT RESOLVED, by the Council of the City of San Diego, as follows:

1. That the reprogramming of CDBG funds for Council Districts 1, 3, 4, 6, 7, and 8, as set forth in Report to the City Council No. _____, a copy of which is on file with the Office of the City Clerk as Document No. _____, is hereby approved, contingent upon certification of funds availability by the City Auditor and Comptroller.
2. That the Mayor or his designee is authorized to negotiate and execute agreements with the CDBG-funded projects approved for funding, contingent upon certification of funds availability by the City Auditor and Comptroller.
3. That the City Auditor and Comptroller is authorized to appropriate and expend the CDBG funds for the CDBG-funded projects approved for funding.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By


Michael D. Neumeyer
Deputy City Attorney

MDN:nda

4/10/07

Or.Dept: Econ. Devel. Div.

R-2007-983

MMS#4612

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I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor